

Amendments to House Bill No. 34
1st Reading Copy

Requested by Representative Russell Bean

For the House State Administration Committee

Prepared by Sheri Heffelfinger
February 4, 2009 (12:28pm)

1. Title, page 1, line 10.

Following: "SECTIONS"

Insert: "19-20-501,"

2. Page 2.

Following: line 25

Insert: "Section 2. Section 19-20-501, MCA, is amended to read:

"19-20-501. **Financial administration of money.** The members of the retirement board are the trustees of all money collected for the retirement system, and as trustees, they shall provide for the financial administration of the money as provided in Article VIII, section 15, of the Montana constitution in the following manner:

(1) The money must be invested and reinvested by the state board of investments.

(2) The retirement board shall annually establish the rate of regular interest.

(3) In accordance with the provisions of 19-20-605(7)(8), the amount to be credited to each reserve must be allocated from the interest and other earnings on the money of the retirement system actually realized during the preceding fiscal year, less the amount allocated to administrative expenses. The administrative expenses of the retirement system, less amortization of intangible assets, may not exceed 1.5% of retirement benefits paid.

(4) The state treasurer is the custodian of the collected retirement system money and of the securities in which the money is invested.

(5) For purposes of Article VIII, section 12, of the Montana constitution, all the reserves established by part 6 of this chapter must be accounts in the pension trust fund type of the treasury fund structure of the state.

(6) Benefits and refunds to eligible recipients are payable pursuant to a contract as contained in statute. Unless specifically provided for by statute, the contract does not contain revisions to statutes after the time of retirement or termination."

{ Internal References to 19-20-501:

x19-20-101 x19-20-201 }"

Renumber: subsequent sections

3. Page 3, line 3.

Strike: "and retired member"

4. Page 3, line 8.

Strike: "and retired member"

5. Page 3.

Following: line 10

Insert: "(4) Beginning July 1, 2013, for each retired member who returns to covered employment under the provisions of 19-20-731 during all or part of the preceding payroll period, the employer shall pay into the pension accumulation account an amount equal to 9.85% of the total earned compensation paid to the retired member."

Renumber: subsequent subsections

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